



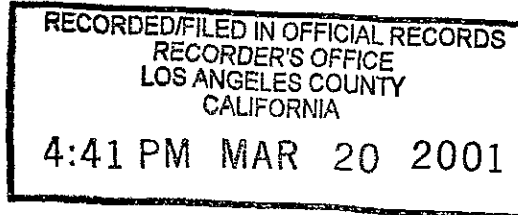
LEAD SHEET

DEPARTMENT OF TAX & REVENUE  
SOUTHERN CALIFORNIA GROUP

APR 26 2001

RECEIVED

01-0447434



SPACE ABOVE THIS LINE FOR RECORDERS USE

TITLE(S)

ROYAL PLATING

FEE

D.T.T.

FEE \$ 34-RR 10

CODE  
20

D.A. FEE Code 20 \$ 2.00

CODE  
19

CODE  
9

Assessor's Identification Number (AIN)

To Be Completed By Examiner OR Title Company In Black Ink

Number of Parcels Shown

## RECORDING REQUESTED BY:

Cypress Fields Investments, LLC  
 9201 Wilshire Boulevard, Suite 301  
 Beverly Hills, California 90210  
 Attention: Mr. Jerrold S. Felsenthal, Manager

## When Recorded Return to:

Department of Toxic Substances Control  
 Region 3  
 Site Mitigation Cleanup Operations Branch A  
 Southern California Region  
 1011 North Grandview Avenue  
 Glendale, California 91201  
 Attention: Mr. Hamid Saebfar

Space Above For L.A. County Recorder's Use Only

COVENANT TO RESTRICT USE OF PROPERTY  
 (Health and Safety Code section 25355.5)

ENVIRONMENTAL RESTRICTION  
 (Civil Code section 1471)

For Property at:  
 787 East 15<sup>th</sup> Street

Los Angeles, California 90021-2121

Assessor's Parcel Number 99-000-5132-026-038

Containing Lots 64, 65, 66, 67 & 0.27 foot wide strip along Western edge of Lot 63  
 of Map Book 14, Page 62, County of Los Angeles, State of California

This Covenant and Agreement ("Covenant") is made by and between Cypress Fields Investments, LLC, a California Limited Liability Company (the "Covenantor") the current owner of property situated in Los Angeles, County of Los Angeles, State of California, described in Exhibit "A" and depicted in Exhibit "B", attached hereto and incorporated herein by this reference (the "Property"), and the Department of Toxic Substances Control (the "Department"). Pursuant to Civil Code section 1471 (c) the Department has determined that this Covenant is reasonably necessary to protect present or future human health or safety or the environment as a result of the presence on the land of hazardous materials as defined in Health and Safety Code ("H&SC") section 25260. The Covenantor and the Department, collectively referred to as the "Parties", hereby agree that pursuant to Civil Code section 1471 and H&SC sections 25355.5 and 25222.1 that the use of the Property be restricted as set forth in this Covenant and that this Covenant shall run with the land.

ARTICLE I  
STATEMENT OF FACTS

1.01. The Property, consists of a 10,000 square foot parcel, and is more particularly described and depicted respectively in Exhibits "A" & "B", attached hereto and incorporated herein by this reference. The Property is located in a heavily industrialized area on the north side of East 15<sup>th</sup> Street, in the County of Los Angeles, State of California. This property is more specifically described as Los Angeles County Assessor's Parcel No.(s): 99-000-5132-026-038, and is commonly referred to as 787 East 15<sup>th</sup> Street, Los Angeles, California, 90021-2121.

1.02. A Preliminary Environmental Site Assessment was conducted by Hart Crowser, Inc. in 1993; A Subsurface Soil Investigation was conducted in 1995 by Lindmark Engineering, Inc.; limited soil sampling and analysis was conducted in October, 1996 after the demolition of site buildings by Mission Geoscience, Inc.; and additional soil sampling and analysis pursuant to the direction of the Department was conducted in August 1997 by Mission Geoscience, Inc. The soil sampling and analysis conducted in August, 1997 was conducted in response to the Department's comments (dated April 23, 1997) on the Preliminary Endangerment Assessment Equivalent Report dated January 30, 1997, and was conducted after the Department had reviewed the Sampling and Analysis Plan (dated July 17, 1997) and Health and Safety Plans (dated July 17, 1997) for the site. The Department provided oversight for the field activities conducted during the sampling and analysis conducted in August, 1997. The data collected during the sampling activities conducted in August, 1997 was used to assess the potential for the site to pose an adverse impact to human health or the environment in a Preliminary Endangerment Assessment Equivalent (dated September 26, 1997).

1.03. The site was accepted into the Department's Voluntary Cleanup Program on January 2, 1997. A Preliminary Endangerment Assessment Equivalent Report was prepared to evaluate the potential for residual concentrations of metals detected in onsite soils to pose an unacceptable impact to human health.

This Preliminary Endangerment Assessment Equivalent Report dated September 26, 1997 was reviewed and accepted by the Department. The Department issued a No Further Action letter dated November 3, 1997. This letter states "Based upon DTSC's evaluation of the information submitted, the Site does not appear to pose a threat to human health or the environment under a commercial/industrial land use. Therefore, DTSC determines that beyond a deed restriction, no further action is necessary with respect to investigation and remediation of the hazardous substances in the soil at the Site."

The constituents of concern present at the property and assessed in the human health risk screening were: tetrachloroethylene (PCE), benzene, cadmium, copper, nickel, cyanide, toluene, ethylbenzene, and total xylenes. These constituents are hazardous materials as defined in Health and Safety Code Section 25260. The human health risk screening was conducted in accordance with the Department's Preliminary Endangerment Assessment guidance manual.

Exposure assumptions were compiled from standard USEPA and Department sources to evaluate a reasonable maximum exposure scenario. Exposure point concentrations used to estimate risks and hazards were based on the maximum detected residual concentrations of most of the chemicals of concern (the exceptions were: ethylbenzene, where the detection limit

was used *in lieu* of the maximum detected concentration, and total xylenes where the 95UCL was used *in lieu* of the maximum detected concentration) which were: 0.041 mg/kg PCE, 0.002 mg/kg benzene, 87 mg/kg cadmium, 3500 mg/kg copper, 8500 mg/kg nickel, 0.82 mg/kg cyanide, 0.0084 mg/kg toluene, 0.005 mg/kg ethylbenzene (the detection limit) and 0.0046 mg/kg total xylenes (the 95UCL).

The total hypothetical risk estimate due to exposure to the volatiles, PCE and benzene, is  $3.8 \times 10^{-9}$ , within USEPA's and the Department's acceptable risk range of  $10^{-6}$  to  $10^{-4}$ . The total hazard estimate due to exposure to the noncarcinogenic metals (cadmium, copper, nickel, and cyanide) is 0.4079, well below the criterion of 1, used to determine whether a site poses an unacceptable hazard to human health. The total hazard estimate due to exposure to the noncarcinogenic volatiles (toluene, ethylbenzene and total xylenes) is 0.00004, well below the criterion of 1, used to determine whether a site poses an unacceptable hazard to human health.

Based on the final human health screening evaluation the Department concluded that use of the Property as a residence, hospital, school for persons under the age of 21 or day care center would entail an unacceptable adverse impact to human health. The Department further concluded that the Property, as remediated, and subject to the restrictions of this Covenant, does not present an unacceptable threat to human health or the environment, if limited to commercial and/or industrial uses.

## ARTICLE II DEFINITIONS

- 2.01. Department. "Department" means the California Department of Toxic Substances Control and includes its successor agencies, if any.
- 2.02. Owner. "Owner" means the Covenantor, its successors in interest, and their successors in interest, including heirs and assigns, who at any time hold title to all or any portion of the Property.
- 2.03. Occupant. "Occupant" means Owners and any person or entity entitled by ownership, leasehold, or other legal relationship to the right to occupy any portion of the Property.

## ARTICLE III GENERAL PROVISIONS

- 3.01. Restrictions to Run with the Land. This Covenant sets forth protective provisions, covenants, restrictions, and conditions (collectively referred to as "Restrictions"), subject to which the Property and every portion thereof shall be improved, held, used, occupied, leased, sold, hypothecated, encumbered, and/or conveyed. Each and every Restriction: (a) runs with the land pursuant to H&SC section 25355.5 (a)(1)(C), and Civil Code section 1471; (b) inures to the benefit of and passes with each and every portion of the Property, (c) is for the benefit of, and is enforceable by the Department, and (d) is imposed upon the entire Property unless expressly stated as applicable only to a specific portion thereof.

3.02. Binding upon Owners/Occupants. Pursuant to H&SC sections 25355.5(a)(1)(C), this Covenant binds all Owners of the Property, their heirs, successors, and assignees, and the agents, employees, and lessees of the Owners, heirs, successors, and assignees. Pursuant to Civil Code section 1471(b), all successive owners of the Property are expressly bound hereby for the benefit of the Department.

3.03. Written Notice of the Presence of Hazardous Substances. Prior to the sale, lease or sublease of the Property, or any portion thereof, the owner, lessor, or sublessor shall give the buyer, lessee, or sublessee notice that hazardous substances are located on or beneath the Property, as required by H&SC section 25359.7.

3.04. Incorporation into Deeds and Leases. From and after the date of recordation of this Covenant, the Restrictions set forth herein shall be incorporated by reference in each and all deeds and leases for any portion of the Property. Further, each Owner or Occupant shall include in any instrument conveying any interest in all or any portion of the Property, including but not limited to deeds, leases, and mortgages, a notice which is in substantially the following form:

NOTICE: THE INTEREST CONVEYED HEREBY IS SUBJECT TO AN ENVIRONMENTAL RESTRICTION AND COVENANT TO RESTRICT USE OF PROPERTY, RECORDED IN THE PUBLIC LAND RECORDS ON \_\_[DATE]\_\_, IN BOOK \_\_\_\_, PAGE \_\_\_\_, IN FAVOR OF AND ENFORCEABLE BY THE CALIFORNIA DEPARTMENT OF TOXIC SUBSTANCES CONTROL.

3.05. Conveyance of Property. The Owner shall provide notice to the Department not later than thirty (30) days after any conveyance of any ownership interest in the Property (excluding mortgages, liens, and other non-possessory encumbrances); The Department shall not, by reason of this Covenant, have authority to approve, disapprove, or otherwise affect proposed conveyance, except as otherwise provided by law, by administrative order, or by a specific provision of this Covenant.

#### ARTICLE IV RESTRICTIONS

4.01. Prohibited Uses. The Property shall not be used for any of the following purposes;

- (a) A residence, including any mobile home or factory built housing, constructed or installed for use as residential human habitation.
- (b) A hospital for humans.
- (c) A public or private school for persons under 21 years of age.
- (d) A day care center for children.

4.02. Soil Management.

- (a) Any contaminated soils brought to the surface by grading, excavation, trenching or backfilling shall be managed in accordance with all applicable provisions of state and federal law.
- (b) The Owner shall provide the Department with written notice at least fourteen (14) days prior to any building, filling, grading, mining, or excavating the Property.

4.03 Access for Department. The Department and its designees shall have reasonable right of entry and access to the Property for inspection, monitoring, and other activities consistent with the purposes of this Covenant as deemed necessary by the Department in order to protect the public health or safety, or the environment.

#### ARTICLE V ENFORCEMENT

5.01. Enforcement. Failure of the Covenantor, Owner or Occupant to comply with any of the Restrictions specifically applicable to it shall be grounds for the Department to require that the Covenantor or Owner modify or remove any improvements ("Improvements" herein shall mean all buildings, roads, driveways, and paved parking areas) constructed or placed upon any portion of the Property in violation of the Restrictions. Violation of this Covenant shall be grounds for the Department to file civil or criminal actions as provided by law.

#### ARTICLE VI VARIANCE, TERMINATION, AND TERM

6.01. Variance. Covenantor, or any other aggrieved person, may apply to the Department for a written variance from the provisions of this Covenant. Such application shall be made in accordance with H&SC section 25233.

6.02. Termination. Covenantor, or any other aggrieved person, may apply to the Department for a termination of the Restrictions or other terms of this Covenant as they apply to all or any portion of the Property. Such application shall be made in accordance with H&SC section 25234.

6.03. Term. Unless ended in accordance with the Termination paragraph above, by law, or by the Department in the exercise of its discretion, this Covenant shall continue in effect in perpetuity.

#### ARTICLE VII MISCELLANEOUS

7.01. No Dedication Intended. Nothing set forth in this Covenant shall be construed to be a gift or dedication, or offer of a gift or dedication, of the Property, or any portion thereof to the general public or anyone else for any purpose whatsoever. Further, nothing set forth in this Covenant shall be construed to effect a taking under federal or state law.

7.02. Department References. All references to the Department include successor agencies/departments or other successor entity.

7.03. Recordation. The Covenantor shall record this Covenant, with all referenced exhibits, in the County of Los Angeles within ten (10) days of the Covenantor's receipt of a fully executed original.

7.04. Notices. Whenever any person gives or serves any Notice ("Notice", as used herein includes any demand or other communication with respect to this Covenant), each such Notice shall be in writing and shall be deemed effective: (1) when delivered, if personally delivered

to the person being served or to an officer of a corporate party being served, or (2) three (3) business days after deposit in the mail, if mailed by United States mail, postage paid, certified, return receipt requested:

To Owner: Cypress Fields Investments, LLC  
9201 Wilshire Boulevard Suite 301  
Beverly Hills, California 90210  
Attention: Mr. Jerrold S. Felsenthal, Manager

To Department: Department of Toxic Substances Control  
Region 3  
Site Mitigation Cleanup Operations Branch A  
Southern California Region  
1011 North Grandview Avenue  
Glendale, California 91201  
Attention: Mr. Hamid Saebfar

Any party may change its address or the individual to whose attention a Notice is to be sent by giving written Notice in compliance with this paragraph.

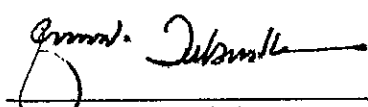
7.05. Partial Invalidity. If any portion of the Restrictions or other term set forth herein is determined by a court of competent jurisdiction to be invalid for any reason, the surviving portions of this Covenant shall remain in full force and effect as if such portion found invalid had not been included herein.

7.06 Statutory References. All statutory references include successor provisions.

IN WITNESS WHEREOF, the Parties execute this Covenant.

Covenantor: Cypress Fields Investments, LLC

By:


  
Jerrold S. Felsenthal

Title: Manager

Date: December 21, 2000

Department of Toxic Substances Control

By:

  
Title: Southern California Cleanup Operations Branch Chief  
Date: 2/21/01

STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES

On this 21st day of DEC in the year 2000 before me CAROL GEORGE  
personally appeared JERROLD S. FELSETHAL personally known to me (or proved to me on the basis  
~~of satisfactory evidence~~) to be the person(s) whose name(s) is /we subscribed to the within instrument and  
acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that  
by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the  
person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Carol George

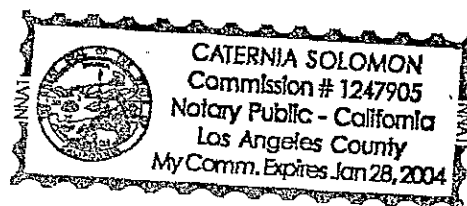


STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES

On this 21 day of Feb in the year 2001 before me CATERNIA SOLOMON  
personally appeared Savannah Amit personally known to me (or proved to me on the basis  
of satisfactory evidence) to be the person(s) whose name(s) is /we subscribed to the within instrument and  
acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that  
by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the  
person(s) acted, executed the instrument.

WITNESS my hand and official seal

Caternia Solomon





9

01 0447434

Exhibit "A"  
Legal Description of the Property

THE NORTHWESTERLY 0.27 FOOT OF LOT 63 AND ALL OF LOTS 64, 65, 66 AND 67  
OF MAY TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES,  
STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 14 PAGE 62 OF  
MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF  
SAID COUNTY.

01 0447434

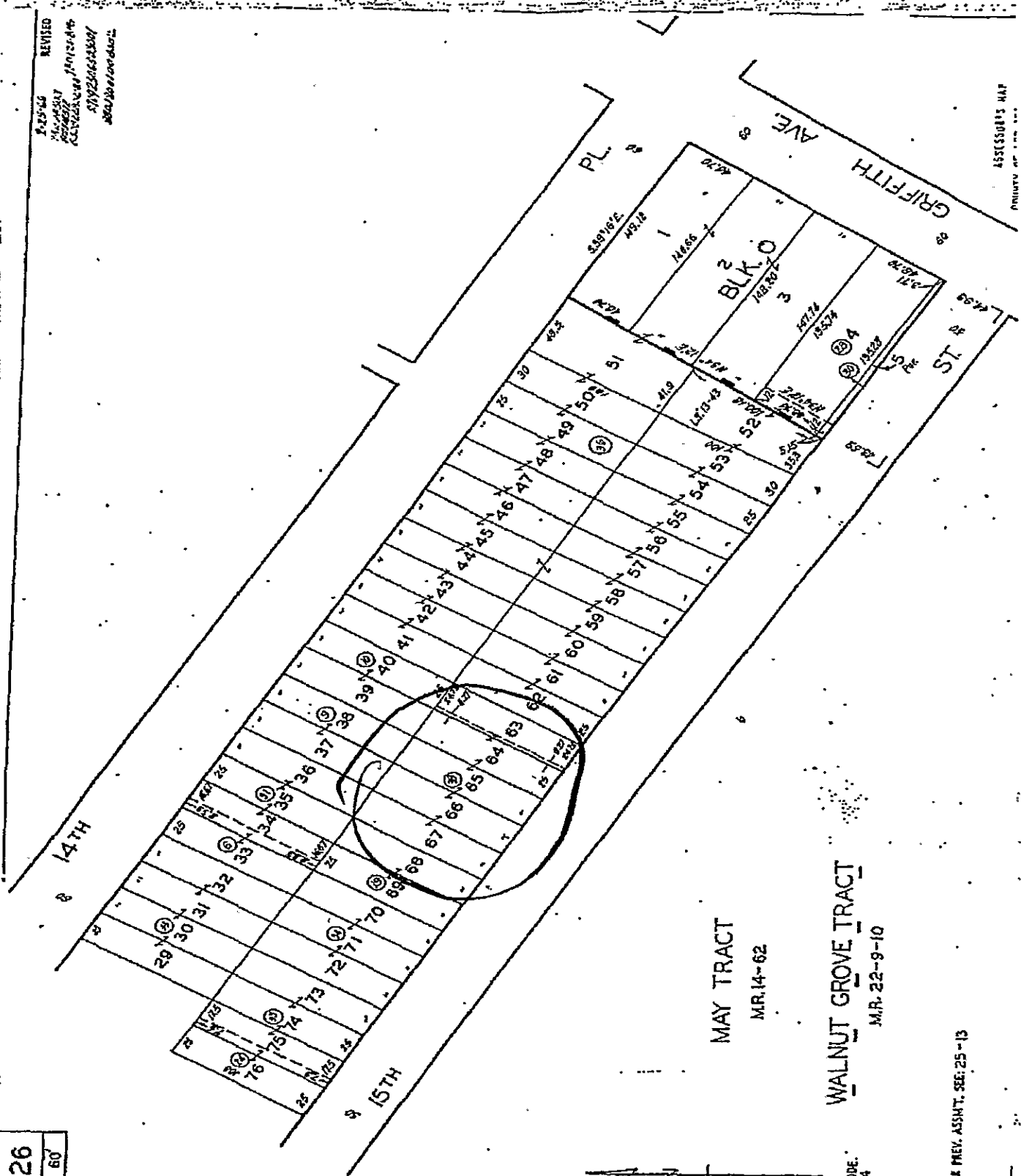
**EXHIBIT "B"**

**FIGURE DEPICTING LOCATION OF ASSESSOR'S PARCEL NUMBER 99-000-5132-026-038  
BASED ON MAP RECORDED IN BOOK 14 PAGE 62 OF MISCELLANEOUS RECORDS, IN  
THE OFFICE OF THE COUNTY RECORDER OF LOS ANGELES COUNTY,  
STATE OF CALIFORNIA.**

are the Assessors Parcel Map(s) for the property: 5132-026-038  
787 E 15TH ST LOS ANGELES CA 90021

**P. R. S. 66**      **REVISED**

SEVENTH OF TWO PAGES  
JAN 30 1964



MAY TRACT

MR. 14-62

WALNUT GROVE TRACT

**M.R. 22-9-10**

FOR REV. ASSMT. SEE: 25-13

2615

DATE 1<sup>st</sup> MAR 60